

(Draft – Awaiting Formal Approval)
MINUTES OF THE
UTAH INTERNATIONAL RELATIONS AND TRADE COMMISSION
Tuesday, May 14, 2013 – 9:00 a.m. – Room 445 State Capitol

Members Present:

Sen. Mark B. Madsen, Chair
Rep. Eric K. Hutchings, Chair
Sen. Patricia W. Jones
Rep. Janice M. Fisher
Rep. Keith Grover
Rep. Lynn N. Hemingway
Mr. Brian Farr
Mr. Brett W. Heimburger

Members Absent:

Sen. Peter C. Knudson

Staff Present:

Mr. Richard C. North, Policy Analyst
Mr. Robert H. Rees, Associate General Counsel
Ms. Debra Hale, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Commission Business

Chair Hutchings called the meeting to order at 9:20 a.m.

Chair Hutchings invited the commission members to contact the chairs with any topics they feel important for the commission to address in future meetings.

MOTION: Sen. Madsen moved to approve the minutes of the October 23, 2012, and the November 13, 2012, meetings. The motion passed unanimously.

Mr. North called commission members' attention to the "Legislator Preference for Receiving Interim Meeting Mailing Packets," which was included in this meeting's mailing packet, and requested that they fill them out and return them to staff.

Mr. North then reviewed a handout, "Open and Public Meetings Act."

2. Intellectual Property: Trade Secrets - Why They Must Be Protected

Mr. North distributed and discussed "Trade Secrets Update" and "H.R. 6029," an act from the One Hundred Twelfth Congress of the United States of America at the Second Session, and "Intellectual Property – Copyrights, Patents, Trademarks, and Trade Secrets," which was included in the mailing packet, regarding federal trade secrets as a form of intellectual property. Mr. North reviewed ways to establish, regulate, enhance, and enforce penalties for stealing trade secrets. He also expressed the legal and financial reasons for protecting them and what role states have in creating statutory and administrative protections.

Mr. North stated that the Uniform Trade Secrets Act, published by the Uniform Law Commission in 1979 and amended in 1985, has not been enforced. He said that, if the state strengthens its act, it may then be grandfathered into new federal trade secret laws.

Dr. Elizabeth Goryunova, Executive Vice President and Chief Operating Officer, World Trade Center Utah (WTC) cited a resource for this topic coming to the WTC on May 21, 2013, 8:00 a.m., entitled "Security Provisions in International Business."

Mr. Franz Kolb, Regional Director, Europe, Middle East, Africa, and India, Governor's Office of International Trade and Diplomacy (ITDO), emphasized this as a very serious issue. He described the Foreign Corrupt Practices Act of 1977 as a United States federal law known primarily for two of its main provisions, one that addresses accounting transparency requirements under the Securities Exchange Act of 1934 and another concerning bribery of foreign officials. He stated that several things could be done when it comes to these issues, and there should be provisions to protect trade secrets. Mr. Kolb suggested the state create a task force to formulate policies regarding these issues.

Mr. Lew Cramer, President and CEO, WTC Utah, invited commission members to the U.S. and Foreign Commercial Service seminar at the Salt Lake Community College Miller Campus on June 6, 2013, from 8:30 a.m. to 12:15 p.m., regarding navigating the multi-dimensional world of international trade and foreign corrupt practices and the need to stress to the community the idea that we are part of a global economy.

3. Governor's Office of International Trade and Diplomacy – 2013 Office Report

Mr. Harvey Scott, Director, ITDO, distributed and discussed "World Trade Center Utah Annual Report 2012 – Helping You Think, Act, Succeed Globally." He addressed structural changes that have taken place in ITDO's office. He stressed 1) training; 2) foreign trade recruitment; and 3) creating awareness to promote the state as a great place to live and do business.

Mr. Scott then reviewed a visual presentation "Trade Missions, Seminars and Conferences – 2013," which described the governor's 2013 trade initiatives:

- Mexican trade activities of 2012 and those scheduled for 2013; and
- Brazil activities scheduled for 2013.

Mr. Kolb continued describing the visual presentation regarding:

- Israel Trade Mission of April 20-26, 2013;
- UK Trade Mission of July 8-10, 2013 (the state's largest trade partner); and
- Asia trade activities of 2012 and those scheduled for 2013.

He stated that Utah is exporting more to the United Kingdom than any other state.

Mr. Kolb informed the committee of various international business trade missions, conferences, and conventions held in Salt Lake City and other counties around the state:

- Utah-Europe Days 2013, May 8 and 9, 2013, Salt Lake City (Mr. Kolb described Utah as a model for this type of conference and stated that 45% of our exports are to Europe);
- 5th Annual Women in International Business Conference, June 4, 2013, Salt Lake City Hotel Monaco, which will address security concerns from a role-model and cultural perspective;
- International Trade Missions, August 15, 2013, 7:30 a.m. to 9:00 a.m., World Trade Association of Utah, Salt Lake City, with attendees from Africa;
- events involving Morocco (the state's governor, Legislature, and national guard has close ties with Morocco, who hosted a free trade agreement and strategic alliances); and
- various trade shows with all vendors gathering to one location.

Mr. Scott and Mr. Kolb also reviewed commission appointments and how the commission and the Legislature can work together to advance mutual goals.

4. World Trade Center Report - 2013

Mr. Cramer presented a visual display which informed the commission that Utah is the only state to have increased exports every year since 2006 and is celebrating 150 years as a mineral-dependent state. In some of the trade areas, Mr. Cramer listed Utah as a high-tech state with \$2 billion in computer and electronic product sales, over \$800 million in food products and almost that much in chemical cleaning compounds, almost \$400 million in aircraft parts, etc. He stated that the U.S. Chamber of Commerce ranks Utah number three in exports (creating 100,000 state jobs) and international trade, which are phenomenal numbers for such a small state without a sea port. Mr. Cramer further listed WTC's results of brainstorming for Utah's global expansion.

Commission members listed topics they would like to see addressed during the 2013 interim: 1) Since economic growth in the outside world is increasing faster than in Utah, what can Utah do to catch up? 2) international finance resources; and 3) trade secret protection.

5. Commission Study Issue Discussion

This item was addressed in the previous agenda item discussion and will be discussed further in upcoming meetings.

6. Other Items/Adjourn

Chair Hutchings stated that the chairs will set meetings dates, and off-site meetings were suggested.

MOTION: Sen. Jones moved to adjourn the meeting. The motion passed unanimously with Rep. Grover absent for the vote.

Chair Hutchings adjourned the meeting at 11:58 a.m.